



FILED

DECLARATION OF MAILING

I declare under penalty of perjury
under the laws of the State of
Washington that on the date listed
below, I mailed or caused delivery
of a true copy of this document to
Parties listed below
DATED this 12th day of September 2006
at Tumwater, Washington.

Signed: Wendy Galloway

OFFICE OF
INSURANCE COMMISSIONER

HEARINGS UNIT
Fax: (360) 664-2782

2006 SEP 12 A 9:50

Hearings Unit, DIC
Patricia D. Petersen
Chief Hearing Officer

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Wendy Galloway
Paralegal
WendyG@OIC.wa.gov.
(360) 725-7002

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of:)

NATIONAL STATES INSUR. CO.)

An Authorized Insurer.)

NO. D06-122

**ORDER TERMINATING
PROCEEDING**

TO: Patricia I. Curran, CFO
National States Insurance Co.
1830 Craig Park Court
St. Louis, Mo 63146

COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
James T. Odiorne, Deputy Commissioner, Company Supervision
Carol Sureau, Deputy Commissioner, Legal Affairs
Marcia G. Stickler, Staff Attorney, Legal Affairs
P.O. Box 40255
Olympia, Washington 98504-0255

On March 14, 2006, the Insurance Commissioner (Commissioner) received a request for hearing from National States Insurance Company (National States). National States objected to the Insurance Commissioner's February 27, 2006 letter enclosing proposed Consent Order Imposing a Fine, No. D06-122, for failure to timely file the signature accompanying its State of Actuarial Opinion.

ORDER TERMINATING PROCEEDING

NO. D06-122

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On May 5, 2006 this matter was held before Chief Hearing Officer Patricia Petersen. Before a Final Order was entered, however, on August 23, 2006, a Revised Consent Order Imposing a Fine was fully executed and entered resolving the pending issue thereby making the Final Order unnecessary and the matter before the undersigned moot. A copy of the Revised Consent Order Imposing a Fine is attached hereto and is by this reference incorporated herein.

Based upon the above activity:

IT IS HEREBY ORDERED that this proceeding, Docket No. D06-122, is hereby terminated.

ENTERED this 11th day of September, 2006, at Tumwater, Washington.

A handwritten signature in black ink, appearing to read 'Patricia D. Petersen', is written over a horizontal line.

PATRICIA D. PETERSEN
Chief Hearing Officer

STATE OF WASHINGTON

MIKE KREIDLER
STATE INSURANCE COMMISSIONER



Phone: (360) 725-7000

4930 08/21/06

\$1,001.00

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

NATIONAL STATES
INSURANCE COMPANY,

An Authorized Insurer

Order No. D06-~~1223~~

REVISED
CONSENT ORDER
IMPOSING A FINE

122-A
MB
§.23-06

Findings of Fact:

1. National States Insurance Company ("National States") is authorized to conduct insurance business in Washington State. It issues property, casualty, and surety insurance.
2. Revised Code of Washington § 48.05.250 requires every insurer to file an annual statement for the previous calendar year with the Office of the Insurance Commissioner ("OIC") by February 28 of the following year.
3. Washington Administrative Code § 284-07-060 requires that, as part of the annual statement, a Statement of Actuarial Opinion ("SAO") be submitted by February 28 of the following year, as well.
4. National States violated Revised Code of Washington § 48.05.250 by failing to file its year 2004 Statement of Actuarial Opinion, a required component of its Annual Statement, by the statutory due date of February 28, 2005. In late April 2005, the OIC sent a notice to National States, reminding it of this filing requirement. To date, no response has been received by the OIC.

Conclusions of Law:

1. National States' failure to timely file its calendar year 2004 Statement of Actuarial Opinion constitutes a violation of RCW 48.05.250(1) and WAC 284-07-060(2).
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

National States consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.



1. Within thirty days of the entry of this Order, National States will pay to the Insurance Commissioner a fine in the amount of \$1,000 (one thousand dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by National States in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 14th day of August, 2006.

NATIONAL STATES INSURANCE COMPANY

By: 

Printed Name: Patricia T. Curran

Printed Corporate Title: CEO

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

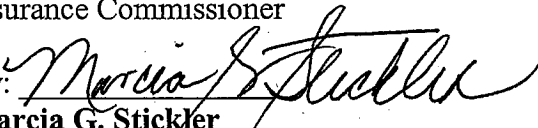
Order:

1. National States Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,000 (one thousand dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 23^d day of August, 2006

MIKE KREIDLER
Insurance Commissioner

By: 
Marcia G. Stickler
Legal Affairs Division